



Reprinted
January 18, 2008

SENATE BILL No. 1

DIGEST OF SB 1 (Updated January 17, 2008 3:11 pm - DI 73)

Citations Affected: IC 12-13; IC 12-19; IC 16-35; IC 20-45; IC 20-46; noncode.

Synopsis: Limits on school and child welfare levies. Terminates, beginning January 1, 2010: (1) the medical assistance to wards property tax levy; (2) the family and children's property tax levy; (3) the children's psychiatric residential treatment services property tax levy; (4) the children with special health care needs property tax levy; (5) the maximum permissible tuition support levy; and (6) the county supplemental school financing property tax levy. Specifies that the termination of the tuition support levy does not prohibit a school corporation from imposing a referendum tax levy. Makes related changes.

Effective: July 1, 2008.

**Lubbers, Hume, Charbonneau,
Mrvan, Meeks**

November 20, 2007, read first time and referred to Committee on Appropriations.
January 10, 2008, reported favorably — Do Pass.
January 17, 2008, read second time, amended, ordered engrossed.

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SB 1—LS 6261/DI 51+



Reprinted
January 18, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

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SENATE BILL No. 1

A BILL FOR AN ACT to amend the Indiana Code concerning
taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 12-13-8-9 IS ADDED TO THE INDIANA CODE
- 2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 3 1, 2008]: **Sec. 9. This chapter expires January 1, 2010.**
- 4 SECTION 2. IC 12-13-9-5 IS ADDED TO THE INDIANA CODE
- 5 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 6 1, 2008]: **Sec. 5. This chapter expires January 1, 2010.**
- 7 SECTION 3. IC 12-19-5-13 IS ADDED TO THE INDIANA CODE
- 8 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 9 1, 2008]: **Sec. 13. This chapter expires January 1, 2010.**
- 10 SECTION 4. IC 12-19-7-35 IS ADDED TO THE INDIANA CODE
- 11 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 12 1, 2008]: **Sec. 35. This chapter expires January 1, 2010.**
- 13 SECTION 5. IC 12-19-7.5-34 IS ADDED TO THE INDIANA
- 14 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 15 [EFFECTIVE JULY 1, 2008]: **Sec. 34. This chapter expires January**
- 16 **1, 2010.**
- 17 SECTION 6. IC 16-35-3-5 IS ADDED TO THE INDIANA CODE

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AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 5. This chapter expires January 1, 2010.**

SECTION 7. IC 16-35-4-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 6. This chapter expires January 1, 2010.**

SECTION 8. IC 16-35-5-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 4. This chapter expires January 1, 2010.**

SECTION 9. IC 20-45-2-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 9. This article expires January 1, 2010.**

SECTION 10. IC 20-46-1-8, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: **Sec. 8. (a) This section applies to a school corporation that includes a request for a levy under this chapter in an emergency appeal under IC 6-1.1-19 and IC 20-45-6-2 (before its expiration on January 1, 2010).**

(b) This subsection applies after December 31, 2009. Notwithstanding the expiration of IC 20-45 on January 1, 2010, a school corporation may submit an appeal petition to the department of local government finance under IC 6-1.1-19 that includes a request for a referendum under this chapter. The school property tax control board, after studying the appeal petition and related materials, shall make an appropriate recommendation to the department of local government finance.

~~(b)~~ **(c)** In addition to, or instead of, any recommendation that the tax control board may make in an appeal, the tax control board may recommend that the appellant school corporation be permitted to make a levy for the ensuing calendar year under this chapter.

SECTION 11. [EFFECTIVE JULY 1, 2008] **Notwithstanding any other law, after December 31, 2009, a county may not impose any of the property tax levies described in IC 12-13-8-3, IC 12-19-5, IC 12-19-7-4, IC 12-19-7.5-6, IC 16-35-3-2, IC 20-45-7, or IC 20-45-8, and a school corporation may not impose any of the property tax levies described in IC 20-45-3-11, IC 20-45-5, or IC 20-45-6 (other than a referendum tax levy). The expiration of IC 20-45 by this act does not prohibit a school corporation from imposing a referendum tax levy under IC 20-46-1, regardless of whether the appeal for the referendum tax levy was initiated before, on, or after January 1, 2010. Bonds, notes, and other evidences of indebtedness payable before January 1, 2010, from a county family and children's fund or children's psychiatric**

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1 residential treatment services fund are payable after December 31,
2 2009, from a levy imposed for the county's debt service fund. An
3 allocation to a district (as defined in IC 6-1.1-21.2-5) from an
4 expiring property tax levy may be replaced in the same manner as
5 tax increment revenues are replaced under IC 6-1.1-21.2, to the
6 extent that the district has insufficient revenue to pay bonds, notes,
7 other evidences of indebtedness, or leases issued or entered into
8 before July 1, 2008. After June 30, 2008, property taxes expiring
9 under this act may not be pledged to the payment of bonds, notes,
10 other evidences of indebtedness, or leases for any year after
11 December 31, 2009.

12 SECTION 12. [EFFECTIVE JULY 1, 2008] (a) The legislative
13 services agency shall prepare legislation for introduction in the
14 2009 regular session of the general assembly to correct statutes
15 affected by this act.

16 (b) This SECTION expires July 1, 2009.

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SENATE MOTION

Madam President: I move that Senators Charbonneau and Mrvan be added as coauthors of Senate Bill 1.

LUBBERS

SENATE MOTION

Madam President: I move that Senator Hume be added as second author of Senate Bill 1.

LUBBERS

SENATE MOTION

Madam President: I move that Senator Meeks be added as coauthor of Senate Bill 1.

LUBBERS

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 1, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 1 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 8, Nays 1.

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SENATE MOTION

Madam President: I move that Senate Bill 1 be amended to read as follows:

Page 2, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 10. IC 20-46-1-8, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 8. (a) This section applies to a school corporation that includes a request for a levy under this chapter in an emergency appeal under IC 6-1.1-19 and IC 20-45-6-2 **(before its expiration on January 1, 2010).**

(b) This subsection applies after December 31, 2009. Notwithstanding the expiration of IC 20-45 on January 1, 2010, a school corporation may submit an appeal petition to the department of local government finance under IC 6-1.1-19 that includes a request for a referendum under this chapter. The school property tax control board, after studying the appeal petition and related materials, shall make an appropriate recommendation to the department of local government finance.

~~(b)~~ **(c)** In addition to, or instead of, any recommendation that the tax control board may make in an appeal, the tax control board may recommend that the appellant school corporation be permitted to make a levy for the ensuing calendar year under this chapter."

Page 2, line 18, after "IC 20-45-6" delete ". An action to impose a referendum tax levy under" and insert "**(other than a referendum tax levy). The expiration of IC 20-45 by this act does not prohibit a school corporation from imposing a referendum tax levy under IC 20-46-1, regardless of whether the appeal for the referendum tax levy was initiated before, on, or after January 1, 2010.**".

Page 2, delete lines 19 through 20.

Page 2, line 21, delete "IC 20-45 did not expire."

Renumber all SECTIONS consecutively.

(Reference is to SB 1 as printed January 11, 2008.)

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